

ANTI-TAX EVASION POLICY

Introduction to the policy

This policy has been introduced as a result of the Criminal Finances Act 2017 (CFA). A J Walter Aviation Limited (AJW) is committed to preventing persons associated with the Company from engaging or facilitating tax evasion.

It is AJW's policy to conduct all of our business in an honest and ethical manner. We take a zero-tolerance approach to facilitation of tax evasion, whether under UK law or under the law of any foreign country.

We are committed to acting professionally, fairly and with integrity in all our business dealings and relationships, in all jurisdictions in which we operate, and implementing and enforcing effective systems to counter the facilitation of tax evasion.

Purpose

The purpose of this policy is to:

- (a) set out our responsibilities, and of those working for us, in observing and upholding our position on preventing the criminal facilitation of tax evasion; and
- (b) provide information and guidance to those working for us on how to recognise and avoid tax evasion.

As an employer, if we fail to prevent our employees, workers, contractors, agents or service providers facilitating tax evasion, we can face criminal sanctions including an unlimited fine, as well as exclusion from tendering for public contracts and damage to our reputation. We therefore take our legal responsibilities seriously.

In this policy, third party means any individual or organisation with whom AJW come into contact with and includes actual and potential clients, customers, suppliers, distributors, business contacts, agents, advisers, and government and public bodies.

Scope

This policy applies to all persons working for AJW or any Group Company or on our behalf in any capacity, including employees at all levels, directors, officers, agency workers, seconded workers, volunteers, interns, agents, contractors, external consultants, third-party representatives and business partners, sponsors, or any other person associated with us, wherever located.

What is the facilitation of tax evasion?

For the purposes of this policy:

- (a) Tax evasion means the offence of cheating the public revenue or fraudulently evading UK tax, and is a criminal offence. The offence requires an element of fraud, which means there must be deliberate action, or omission with dishonest intent;
- (b) Foreign tax evasion means evading tax in a foreign country, provided that the conduct is an offence in that country and would be a criminal offence if committed in the UK. As with tax evasion, the element of fraud means there must be deliberate action, or omission with dishonest intent; and

Tax evasion facilitation means being knowingly concerned in, or taking steps to, fraudulently evade tax (whether UK tax or tax in a foreign country) by another person, or aiding, abetting, counselling or procuring the commission of that offence. Tax evasion facilitation is a criminal offence, where it is done deliberately and dishonestly.

Under the CFA, a separate criminal offence is automatically committed by a corporate entity or partnership where the tax evasion is facilitated by a person acting in the capacity of an "associated person" to that body. For the offence to be made out, the associated person must deliberately and dishonestly take action to facilitate the tax evasion by the taxpayer. If the associated person accidentally, ignorantly, or negligently facilitates the tax evasion, then the corporate offence will not have been committed. The company does not have to have deliberately or dishonestly facilitated the tax evasion itself; the fact that the associated person has done so creates the liability for the company.

Tax evasion is not the same as tax avoidance or tax planning. Tax evasion involves deliberate and dishonest conduct. Tax avoidance is not illegal and involves taking steps, within the law, to minimise tax payable (or maximise tax reliefs).

What should you avoid?

It is not acceptable for you (or someone on your behalf) to:

- (a) engage in any form of facilitating tax evasion or foreign tax evasion;
- (b) aid, abet, counsel or procure the commission of a tax evasion offence or foreign tax evasion offence by another person;
- (c) fail to promptly report any request or demand from any third party to facilitate the fraudulent evasion of tax (whether UK tax or tax in a foreign country), or any suspected fraudulent evasion of tax (whether UK tax or tax in a foreign country) by another person, in accordance with this policy;
- (d) engage in any other activity that might lead to a breach of this policy; or
- (e) threaten or retaliate against another individual who has refused to commit a tax evasion offence or a foreign tax evasion offence or who has raised concerns under this policy.

Your responsibilities

- a) You must ensure that you read, understand and comply with this policy.
- b) You must complete the Corporate Criminal Offences training which is available on Wings or alternatively you may contact the Legal department at legal@ajw-group.com to request a link for the training.
- c) The prevention, detection and reporting of tax evasion and foreign tax evasion are the responsibility of all those working at AJW. You are required to avoid any activity that might lead to, or suggest, a breach of this policy.
- d) You must notify your manager or the Legal Department as soon as possible if you believe or suspect that a conflict with this policy has occurred or may occur in the future. "Red flags" that may indicate potential tax evasion or foreign tax evasion are set out below.

Protection

Individuals who raise concerns or report another's wrongdoing, are sometimes worried about possible repercussions. We aim to encourage openness and will support anyone who raises genuine concerns in good faith under this policy, even if they turn out to be mistaken.

We are committed to ensuring no one suffers any detrimental treatment as a result of:

- (a) refusing to take part in, be concerned in, or facilitate tax evasion or foreign tax evasion by another person;
- (b) refusing to aid, abet, counsel or procure the commission of a tax evasion offence or a foreign tax evasion offence by another person; or
- (c) reporting in good faith their suspicion that an actual or potential tax evasion offence or foreign tax evasion offence has taken place or may take place in the future.

Detrimental treatment includes dismissal, disciplinary action, threats or other unfavourable treatment connected with raising a concern. If you believe that you have suffered any such treatment, you should inform the People Team or Legal Department immediately. If the matter is not remedied, and you are an employee, you should raise it formally by following our grievance procedure as set out in our Grievance which can be found here [QDoc416 Grievance Policy.docx](#).

Training and communication

We ensure that mandatory corporate criminal offences training on this policy is provided to all employees, workers and associated persons who have been identified as being at risk of exposure to criminal tax evasion, at least every 2 years.

Our zero-tolerance approach to tax evasion and foreign tax evasion must be communicated to all suppliers, contractors and business partners at the outset of our business relationship with them and as appropriate after that.

Breaches of this policy

Any employee who breaches this policy will face disciplinary action, which could result in dismissal for misconduct or gross misconduct.

We may terminate our relationship with other individuals and organisations working on our behalf if they breach this policy.

Potential risk scenarios: "red flags"

The following is a list of possible red flags that may arise during your time at AJW, and which may raise concerns related to tax evasion or foreign tax evasion. The list is not intended to be exhaustive and is for illustrative purposes only. If you encounter any of these red flags while working for us, you must report them promptly to your manager or the Legal Department.

- a) you become aware, in the course of your work, that a third party has made or intends to make a false statement relating to tax, has failed to disclose income or gains to, or to register with, HMRC (or the equivalent authority in any relevant non-UK jurisdiction), has delivered or intends to deliver a false document relating to tax, or has set up or intends to set up a structure to try to hide income, gains or assets from a tax authority;

- b) you become aware, in the course of your work, that a third party has deliberately failed to register for VAT (or the equivalent tax in any relevant non-UK jurisdiction) or failed to account for VAT;
- c) a customer requests to pay you in cash;
- d) you become aware, in the course of your work, that an employee at AJW asks to be treated as a self-employed contractor, but without any material changes to their working conditions;
- e) a supplier requests that payment is made to a country or geographic location different from where the supplier or conducts business;
- f) a customer requests that their invoice is addressed to a different entity, where we did not provide services to such entity directly;
- g) a customer asks us to change the description of services rendered on an invoice in a way that seems designed to obscure the nature of the services provided;
- h) you notice that we have been invoiced for a commission or fee payment from a contractor or agent that appears too large or too small, given the service stated to have been provided;
- i) a third party requests or requires the use of an agent, intermediary, consultant, distributor or supplier that is not typically used by or known to us; and
- j) An overseas employee visits the HQ for a long business trip but fails to notify anyone at AJW.